

EXHIBIT I

FORM OF EMPLOYER'S UNDERTAKING REGARDING EMPLOYMENT MATTERS

MASTER SERVICES AGREEMENT

REGARDING

DIVISION OF FAMILY RESOURCES MODERNIZATION PROJECT

By and Between

THE STATE OF INDIANA,

ACTING ON BEHALF OF

THE FAMILY AND SOCIAL SERVICES ADMINISTRATION,

And

INTERNATIONAL BUSINESS MACHINES CORPORATION

EXHIBIT I

FORM OF EMPLOYER'S UNDERTAKING REGARDING EMPLOYMENT MATTERS

Reference is made to that certain Master Services Agreement Regarding Division of Family Resources Modernization Project by and between the State of Indiana (the "State"), acting on behalf of The Family and Social Services Administration, and International Business Machines Corporation ("Vendor"), dated _____, 2006 (the "Master Services Agreement"). The undersigned provides services to Vendor pursuant to a subcontract in support of the Master Services Agreement. Capitalized terms used but not otherwise defined in this Exhibit I shall have the meaning assigned to such terms in the Master Services Agreement.

Pursuant to the requirements of Section 3.3.1(6) of the Master Services Agreement, the undersigned (the "Employer") provides as follows:

1. The Employer understands and acknowledges the State's policy objective and intent regarding the fair and equitable treatment of employees of the State who transfer to the Employer, all as more fully set forth in Section 1.1(3), Section 10.2.3 and Schedule 12 of the Master Services Agreement.
2. The undersigned acknowledges it is the Employer for purposes of the Master Services Agreement.
3. To the extent applicable to the Employer, the undersigned will comply with the requirements and obligations of the Employer set forth of Sections 3.3.1 and 3.3.2 of the Master Services Agreement.
4. The undersigned will comply with the requirements and obligations of the Employer set forth in Article 10 of the Master Services Agreement.
5. The individual executing this Undertaking on behalf of the Employer is a duly authorized representative of Employer and has full authority to act for and to bind Employer.
6. Employer represents and warrants that, to its Knowledge, (i) all of the Employee Benefit Plans under which the Transferred Employees are eligible to participate have been maintained, in all material respects, in accordance with their respective terms and all provisions of applicable Law, (ii) all amendments and actions required to bring each of such Employee Benefit Plans into conformity with all of the applicable provisions of ERISA and other applicable Laws have been made or taken except to the extent that such amendments or actions are not required by Law to be made or taken until a date after the Effective Date, and (iii) all such Employee Benefit Plans which are subject to the requirements of Section 409A of the Code, to the extent such plans are not "grandfathered" under that Section, comply with the requirements of Section 409A of the Code and have been administered in compliance with therewith.

7. For purposes of this Undertaking, Employer shall have standing to avail itself of and to assert all defenses Vendor has against the State under the Master Services Agreement against any claim by the State arising out of this Undertaking. Nothing herein shall be deemed to limit or reduce any such defenses Employer would be entitled to assert.
8. In the event that the State believes that the Employer is not in material compliance with the terms of this Undertaking, the State shall provide written notice to Employer and grant the Employer sixty (60) days from receipt of such notice to respond.

IN WITNESS WHEREOF, Employer has executed and delivered this Certificate, by its duly authorized representative, this _____ day of _____, 20____.

[Printed Name of Company]

By _____
[Signature]

Printed: _____

Title: _____